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COMMENT

Stopping a Trojan Horse: Challenging Pop-up Advertisements and Embedded Software Schemes on the Internet Through Unfair Competition Laws

Erich D. Schiefelbine

For ten years Greek warriors laid siege on the city of Troy unable to penetrate its towering block walls. They needed a war machine. They needed something new, so the Greeks devised a plan. They built a giant hollow wooden horse. A group of warriors then climbed into the hollow belly through a hole and enclosed themselves inside. Meanwhile, the rest of the Greek army piled into their ships and sailed away. A Greek spy stayed behind and told the Trojans that the horse was an offering of peace. Elated, the Trojans ran out of their city to receive it and rejoice over the fleeing Greek army. A citywide celebration followed, and by nightfall Troy was in a drunken uproar. Then, in the early hours of the morning, while everyone was drunk or asleep, the Greeks emerged from the belly of the horse, climbed down its legs, and silently killed the Trojan sentries at all the city gates.¹

I. INTRODUCTION

As of 2000, 94 million people in the United States had access to the Internet from home.² It was estimated in 2003 that those with home-access spend an average of twenty-five and a half hours on the Internet each month.³ Like the radio and television, it did not take

1. Joshua Darter, *The Trojan Horse*, available at <http://darter.ocps.net/classroom/who/darter1/trhorse.htm>; see also MICROSOFT ENCARTA (1996).

2. Home Computers and Internet Use in the United States 2, August 2000 Census, at <http://www.census.gov/prod/2001pubs/p23-207.pdf> (last visited March 26, 2003).

3. *The Big Picture: Traffic Patterns, February 2003 Internet Usage Stats*, CYBERATLAS, available at http://cyberatlas.internet.com/big_picture/traffic_patterns/ (last visited March 26,

long for businesses to realize that the Internet was yet another medium that could expose their goods and services to potential customer around the world. Not surprisingly, businesses have come up with numerous advertising schemes suited to Internet technology.

First, there was simple banner advertising. Then came spam,⁴ keyword advertising and metatag schemes.⁵ Now Websurfers face another advertising technology: "pop-up" ads. Pop-ups are advertisements that spontaneously appear in a window on the PC user's screen. The window containing the advertisement covers other windows that are open on the PC desktop, giving pop-up advertisers instant face-time with the user. If the consumer clicks on the pop-up ad, he or she is instantly taken to another Web site. This technology has inundated the Internet,⁶ producing both beneficial and troublesome results.

Like all advertising, truthful pop-up advertisements keep consumers well-informed. A well-informed consumer base leads to greater competition among firms. Furthermore, in the case of the Internet, Web site owners sell advertising "space", which lowers the cost of operating a Web site. This allows e-businesses to provide consumers with "free" software and information. But nothing is free, and pop-up ads come with a cost.

First, pop-up ads are often annoying.⁷ Users have to constantly close the ad windows to view desired Web content. Second, e-businesses, whose Web pages are covered by the pop-up windows, are concerned that they are losing valuable customers under the theory that the pop-up advertisements are railroading consumers to other Web sites to conduct their business. With these concerns in mind, this Comment analyzes whether pop-up advertisements offend current unfair competition laws.⁸ More specifically, does pop-up ad

2003).

4. Spam refers to unsolicited email sent in bulk to Internet users' email accounts. The term "spam" originated in a Monty Python sketch. See Beka Ruse, *Spam: Where it Came From, and How to Escape it*, at <http://www.ezau.com/articles/002.html> (last visited March 26, 2003).

5. See Kurt M. Saunders, *Confusion is the Key: Trademark Analysis of Keyword Banner Advertising*, 71 *FORDHAM L. REV.* 543 (2002).

6. "An estimated 4.8 million ads popped up on computer screens worldwide in July, interrupting cybersurfers and forcing them to manually delete windows..." Jon Schwartz, *Earthlink Joins Movement to Kill Pop-up Ads*, *USA TODAY*, Aug. 19, 2002, at D3, available at <http://www.iab.net/news/> (last visited Mar. 26, 2003).

7. In August 2002, IVillage.com—an entertainment and news site geared toward women—reported that "93% of 200 visitors recently called pop-up advertising the most 'frustrating' part of the Web." *Id.*

8. Unfair competition broadly describes several causes of action including trademark

software present courts with novel⁹ issues in unfair competition law, and if so, how should those issues be resolved? These questions will be answered by analyzing the arguments made in one of the first pop-up ad cases to reach the courts—*Washington Post v. Gator, Inc.* This Comment will demonstrate that ad server hosts and pop-up advertisers should be liable to trademark holders for infringement and dilution.

Part II of this Comment offers a more detailed background of Adware technology, its specific purpose on the Internet, and sets up the factual context of this Comment by presenting the facts and parties of *Washington Post v. Gator, Inc.* Part III analyzes whether pop-up ads should survive a trademark holder's claims based on the federal trademark statute. In particular, Part III discusses whether pop-up ad servers "use" trademarks that simultaneously appear underneath and beside the pop-up advertisement. It will also discuss initial interest confusion as a theory of consumer confusion stemming from pop-up ads. Part IV explores the federal unfair competition statute and if Adware constitutes a "device" used to confuse consumers. Part V of this Comment focuses on dilution and if pop-up ads fit appropriately into either a tarnishment or blurring theory. Part VII briefly discusses the First Amendment and fair use as possible defenses to potential unfair competition claims. This Comment concludes by discussing whether the underlying justifications of unfair competition laws support or condemn the use of pop-up advertisements.

II. POP-UP TECHNOLOGY AND ITS PURPOSE ON THE INTERNET

A. "Adware" and "Spyware" and How They Got on Your Computer

Pop-up ads are advertisements that spontaneously appear on an Internet-user's screen in a separate window. The pop-up window

infringement, unfair competition, trademark dilution, and false or misleading advertising. See *Moseley v. Secret Catalogue, Inc.*, 123 S. Ct. 1115, 1122 (2002).

9. This Comment seeks to identify and analyze issues of unfair competition heretofore never presented to courts by virtue of a new technology. Traditional issues underlying unfair competition claims, such as the strength and adequacy of consumer surveys, trademark validity, etc., are not examined here in detail. Although Adware technology may raise new questions regarding the likelihood of confusion factors employed by each circuit, this Comment only discusses "initial interest confusion" as a theory of confusion leading to liability in Adware cases.

usually superimposes itself on all existing content, but windows can also “pop under” screen content. Naturally, when these ad windows appear, the user is baffled because the user has done nothing to trigger the ad. . . or so she believes. Unbeknownst to most Internet users, pop-up ads appear on their screens because of software the user voluntarily put on his or her computer.

The software that enables pop-ups is collectively known as “Adware” or “Spyware”.¹⁰ Adware is stealthily embedded in other software that users want to download for personal use. The best example is the Kazaa Media Desktop software. Kazaa is peer-to-peer software that allows users to swap files over the Internet (e.g., music, movies, pictures, etc.). When a user downloads the Kazaa Media Desktop, Adware software, such as Cydoor, Doubleclick, and WhenU, accompanies that download, embedded in the Kazaa program.¹¹ And although Kazaa’s User Agreement says that users agree to download the Adware before downloading the Media Desktop,¹² most users unwittingly click the default option to accept the agreement before reading it because the agreement is so dense and convoluted.

Once the Adware is downloaded, the damage is done. “A little application sits on your computer, tracks your Internet usage and feeds this information back to the ad server.”¹³ The remote ad server then sends pop-up ads to the user’s screen, based on “[the user’s] country. . . browsing habits, search engine keyword searches, and other criteria.”¹⁴ In summary, this technology is like a “Trojan Horse:” users open up their computer to free software without realizing that they are also inviting embedded Adware software onto

10. Gord Hotchkiss, *Adware and Spyware: Beware!*, SEARCH ENGINE POSITION, at <http://www.searchengineposition.com/info/netprofit/spyware.asp> (last visited March 26, 2003). Hotchkiss defines Adware as, “[a]ny software application in which the advertising banners are displayed while the program is running.” *Id.*

11. *Id.*

12. See Kazaa Media Desktop Version 2.1 End User License Agreement, at <http://www.kazaa.com/us/terms.htm> (March 26, 2003). In *Gator*, discussed *infra*, Gator asserted that “the user installs [the] software and invites those pop-up windows to occur. . . .” Hearing on Plaintiffs’ Motion for Preliminary Injunction at 19, Ins. 23–25, Wash. Post Interactive Co. v. Gator Corp., CV 02-909-A (2002 E.D. Va.). Furthermore, “[Gator] explicitly discloses in advance to each user that both the software product and the GAIN AdServer software will be installed together. . . .” Opposition to Plaintiffs’ Motion for Preliminary Injunction at 4, Wash. Post Interactive Co. v. Gator Corp., (E.D. Va. 2002), (CV 02-909-A), available at <http://cyber.law.harvard.edu/people/edelman/gator> (last visited March 31, 2003).

13. *Id.* It is this remote surveillance that gave rise to the term “Spyware.”

14. *Id.*

their system.¹⁵

B. The Purpose of Pop-Up Ads: A Double Edged Sword

To understand the legal analysis that follows, it is critical to first understand why e-businesses are using pop-up advertising. Two parties are involved in pop-up advertising: the ad server host and the advertiser. The ad server host is the company that embeds Adware with their software, and then sells "advertising space" by hosting the pop-up ads on their server. The ad server host sells pop-up advertising space to offset the costs of operating its own Web site. For example, Celebrity Desktop offers free wallpaper and desktop software that displays images of celebrities among other things.¹⁶ Celebrity desktop explains that it uses Adware to pay for the "excessive server rental and bandwidth bills it racks up;"¹⁷ Celebrity Desktop's site costs \$6,000 a year to operate.¹⁸ So rather than charge their customers for their free software, some businesses—such as Kazaa—bundle Adware into their software and then sell "advertising space."¹⁹

The second party involved in pop-up advertising is the advertiser. As briefly explained above, the ad host server is triggered when the user enters a particular keyword on a search engine or a domain name.²⁰ Pop-up advertisers buy keywords from the ad host server, based on the product they are trying to sell and their target audience. Keyword purchasing has led advertisers to engage in what is known as a "hijacking" campaign.²¹

Hijacking is when one business purchases its competitors' trade names as keywords. For instance, when users went to 1-800-Flowers.com, a pop-up ad for FTD.com popped up on the screen.²² 1-

15. Plaintiffs' Memorandum in Support of Motion for Preliminary Injunction at 8, *Gator* (CV 02-909-A), available at <http://cyber.law.harvard.edu/people/edelman/gator> (last visited March 31, 2003).

16. See www.celebritydesktop.com.

17. "We're under contract with a couple advertising companies to run their banners." See Celebrity Desktop, FAQs Q and A, at <http://www.celebritydesktop.com/help/faqs/popups.shtml> (last visited March 26, 2003).

18. See *id.* ("[S]o this is why we use pop-up advertising to help pay off the rising monthly web bills").

19. Stefanie Olsen, *Chorus of Gator Critics Grows*, CNET NEWS, at <http://news.com.com/2100-1023-272244.html> (last visited March 26, 2003).

20. See Stefanie Olsen, *Web Sites Prey on Rivals' Stores*, CNET NEWS, at <http://news.com.com/2100-1023-271196.html> (last visited March 30, 2003).

21. *Id.*

22. *Id.*

800-Flowers.com and FTD.com compete with each other head-to-head as online flower retailers. Similarly, when users visited Americanairlines.com, a Delta Airlines promotion appeared on the screen.²³ More recently, while doing research for this Comment, a pop-up advertisement appeared on the author's screen when a certain online travel business' opening page loaded. At first glance, it was difficult to tell where the pop-up advertisement by a competing online travel business began and where it ended, against the background of the underlying Web site's page, suggesting an affiliation between the two companies.

Hijacking has created a love-hate relationship among e-commerce businesses. On one hand, the exposure from pop-up ads is so substantial that most online businesses want to get involved. Yet on the other hand, those same online businesses do not like being the target of a competitor's hijack campaign.²⁴ Consequently, e-businesses are beginning to challenge the legality of Adware and embedded software schemes.

C. *The Gator Litigation*

At the moment, very little literature exists on the legality of embedded software schemes such as Adware. Moreover, the intellectual property issues raised by such schemes have not been fully litigated in the federal courts. In fact, one of the only court orders issued on the legality of pop-up ads was a preliminary injunction on the use of such ads. In August 2002, a United States District Court in Alexandria, Virginia enjoined the Gator Corporation ("Gator") from running their ad server and version of Adware.²⁵ The plaintiffs' motion to enjoin Gator's activities rested entirely on intellectual property law.²⁶ Since the court gave no written opinion with its order, the arguments the plaintiffs made to secure the injunction (and Gator's counter arguments) deserve further legal analysis. The *Gator* case may serve to predict whether pop-up ads will ultimately pass judicial muster.

23. *Id.*

24. Referring to the ironic relationship that hijack ads created, a representative from the Gator Corporation (an ad host server) stated, "We get lots of angry calls; maybe even an attorney calls up because they're angry. . . [but] the next call we get is usually from the VP of sales, saying 'We would like to work with you.'" *Id.*

25. Order Granting Plaintiffs' Motion for Preliminary Injunction, *Gator* (CV 02-909-A), available at http://www.haledorr.com/pdf/gator_order.pdf (last visited March 25, 2003).

26. See Plaintiffs' Memorandum in Support of Preliminary Injunction, *Gator* (CV 02-909-A).

The Gator Corporation is located in Redwood City, California, and its business is e-commerce.²⁷ Gator offers Web surfers a digital wallet software product known as the eWALLET. The eWALLET software is "free." It "provides users with a mechanism for storing personal information about themselves, passwords, user identification numbers and names, and other data that consumers routinely need to input on electronic forms when they shop for goods and services on the Internet."²⁸ Embedded in the eWALLET software is another piece of software called the OfferCompanion. OfferCompanion is a type of Adware. Gator—as the ad host server—"monitors Web surfing behavior and delivers targeted pop-up ads to viewers" via OfferCompanion.²⁹ The pop-up ads identify Gator as the host server because they contain the word GAIN³⁰ in the upper left hand corner of Gator's pop-up window. OfferCompanion launches and operates whenever a user is using an Internet browser.

The plaintiffs suing Gator were news conglomerates, each operating sites on the Internet.³¹ The plaintiffs stated that they were among the world's foremost providers of news and that Gator was essentially a "parasite" on the World Wide Web.³² The plaintiffs alleged that Gator was making money and free riding off of their business by "placing advertisements for third parties on the [p]laintiffs' web sites without [p]laintiffs' authorization."³³ As an example, plaintiffs' complaint contained a printout of Concierge.com's Web site covered in part by a Travelocity.com pop-up advertisement. Concierge.com—one of the plaintiffs—and Travelocity.com are direct competitors in the e-travel business. This example of hijacking set up the plaintiffs' intellectual property theories against Gator as the ad host server responsible for such ad windows.

27. See Gator Corp. homepage, at <http://www.gator.com> (last visited March 30, 2003).

28. Declaration of Benjamin G. Edelman at 2, *Gator* (CV 02-909-A), available at <http://cyber.law.harvard.edu/people/edelman/pubs/gator-062502.pdf> (last visited March 30, 2003).

29. Stefanie Olsen, *Publishers Sue Gator Over Pop-Ups*, CNET NEWS, at <http://news.com.com/2100-1023-940072.html> (last visited March 30, 2003).

30. GAIN stands for "Gator Advertising and Information Network." See www.gator.com.

31. Complaint at 1, *Gator* (CV 02-909-A), available at <http://cyber.law.harvard.edu/people/edelman/gator> (last visited March 30, 2003).

32. *Id.* at 1.

33. *Id.*

III. TRADEMARK INFRINGEMENT

A. "Use" in Commerce

The *Gator* plaintiffs first claimed that the pop-up windows infringed their registered trademark rights under Section 32 of the Lanham Act.³⁴ Section 32 gives registered trademark holders a cause of action against any one who,

use[s] commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or *advertising of any goods or services* on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive. . .³⁵

A threshold burden for the mark-holder under Section 32 is to demonstrate that the defendant has used their mark in commerce.³⁶ Accordingly, the plaintiffs first argued that *Gator*'s advertising scheme "used" their registered marks because *Gator* inserted its windows onto pages that simultaneously displayed the plaintiffs' marks.³⁷

Gator argued that it did not "use" plaintiffs' marks in commerce by inserting pop-up ads into the plaintiffs' Web pages.³⁸ *Gator* claimed that their software did not insert anything into plaintiffs' Web sites and did not alter their appearance in any way.³⁹ In fact, "[the advertisements] reside only on its users' computers and are sequentially displayed in stand-alone windows separate and apart from any browser window displaying plaintiffs' Web sites."⁴⁰

Responding at oral argument, the plaintiffs were quick to point out that Section 45 of Act⁴¹ clearly states that use of another's mark in

34. Plaintiffs' Memorandum in Support of Preliminary Injunction at 19, *Gator* (CV 02-909-A).

35. 15 U.S.C. § 1114(a)(1) (2002) (emphasis added).

36. *Id.*

37. Plaintiffs' Memorandum in Support of Preliminary Injunction at 19, *Gator* (CV 02-909-A).

38. Opposition to Plaintiffs' Motion for Preliminary Injunction at 17, *Gator* (CV 02-909-A).

39. *Id.*

40. *Id.*

41. 15 U.S.C. § 1127 (2002). For purposes of this Act, a mark shall be deemed to be in use in commerce—

(1) on goods when—

(A) it is placed in any manner on the goods or their containers or the displays associated there with or on the tags or labels affixed thereto, or if the nature of the goods makes such placement impracticable, then on documents associated

commerce includes display of the mark in the sale or advertising of services and the services are rendered in commerce.⁴² However, the definition of “use in commerce” in Section 45 is used to determine use in commerce as it relates to federal trademark *registration*, not as it relates to infringing use.⁴³ Thus, plaintiffs’ argument did not answer the issue raised by the defendant: Did Gator “use” the plaintiffs’ registered marks where plaintiffs’ marks were visible underneath and alongside Gator’s pop-up windows, but not within the pop-up windows themselves?

1. The “Single Advertisement” Theory

There are at least two theories available to the plaintiffs on the issue of “use” in the pop-up advertisement context. The first could be described as the “single advertisement” theory. It is best illustrated with a low-tech analogy. Suppose a consumer was walking through a shopping mall and saw two advertisements hanging from the ceiling. One advertisements was for Nike® soccer shoes, and the other was for Adidas® soccer shoes. From the consumer’s point of reference, Nike’s advertisement was closer and partially blocked full view of the Adidas advertisement. The Adidas name and accompanying logos were still visible, although more difficult to see.

It is unlikely that the consumer would believe that Nike was using the Adidas logo in Nike’s advertisement merely because Nike’s ad overlapped the Adidas ad. This is because the advertisements are separated by open space and viewed in the third dimension. In contrast, e-consumers view pop-up advertisements and underlying Web sites on a flat, two-dimensional plane. That is, pop-up ads “use” the underlying Web site’s marks because, from the consumer’s point of reference, the screen is a single advertisement on a two dimensional plane. And where a defendant displays both its mark and its competitor’s mark on the defendant’s advertisements in a way that is likely to confuse consumers, the defendant has “used” its

with the goods or their sale, and

(B) the goods are sold or transported in commerce, and

on services when it is used or displayed in the sale or advertising of services and the services are rendered in commerce, or the services are rendered in more than one State or in the United States and a foreign country and the person rendering the services is engaged in commerce in connection with the services.

Id.

42. Hearing on Plaintiffs’ Motion for Preliminary Injunction at 10, ln. 23, *Gator* (CV 02-909-A).

43. JEROME GILSON, *TRADemark PROTECTION & PRACTICE* § 11.03 (2002).

competitor's mark.⁴⁴ If a court were to view the user's monitor as a single advertisement, then advertisement host servers like Gator clearly "use" the plaintiffs' registered marks in commerce; this was essentially the *Gator* plaintiffs' first argument.⁴⁵

Gator suggested, however, that if a pop-up window constitutes "use" merely because it overlaps another window revealing a trademark, then Microsoft—and any other party displaying its content in a smaller window—would be liable to trademark holders whose content was partially covered by virtue of the Windows operating system design.⁴⁶ For instance, the "single advertisement" approach suggests that Yahoo!, Inc. could be liable to the Wall Street Journal because Yahoo!'s Instant Messenger partially overlays the Wall Street Journal's Web site. Gator's argument has a greater bark than bite, however.

Even if a court held that a party's overlying window "used" a trademark that simultaneously appeared in an underlying window, the ultimate question in infringement suits is the likelihood of consumer confusion, not merely whether a trademark was "used". In most cases, consumers will not think Yahoo! now owns WordPerfect's marks or products merely because Yahoo!'s Instant Messenger is overlying a WordPerfect 9.0 window. Or if Firestone, Inc.'s Web site for tires was partially visible beneath an overlying Outlook Express window, users are not likely to believe that Firestone and Microsoft have now merged. This is because when a consumer loads software such as Microsoft's products or Yahoo! Instant Messenger onto their computer the consumer i) makes a conscious decision to install ii) a product they are familiar with, iii) which they launch voluntarily and iv) which they desire to have on their computer. Gator's argument, therefore, exaggerates the implications and effects that the "single advertisement" view of "use" would have on software products that run on the Windows operating system.

44. See e.g., *Home Box Office, Inc. v. Showtime/Movie Channel, Inc.*, 832 F.2d 1311 (2d Cir. 1987).

45. Using a blowup of plaintiffs' USA Today Web page covered partly a pop-up ad, the plaintiffs argued that "[t]hey also use the marks in commerce by putting them in close proximity to ours. These are trademarks, USA Today. How, if you see this, could you not come away thinking that this [advertisement] is part of USA Today." Hearing on Plaintiffs' Motion for Preliminary Injunction at 11, Ins. 1-22, *Gator* (CV 02-909-A).

46. "At anytime, a user may have several overlapping windows open on the screen reflecting content from a variety of sources and may even have more than one browser window open at a time." Opposition to Plaintiffs' Motion for Preliminary Injunction at 17, *Gator* (CV 02-909-A).

2. Initial Interest "Use"

The second way to approach the question of "use" in a pop-up case is to argue the "initial interest confusion" theory, taken from recent banner advertisement and metatag cases. The court in *Playboy Enterprises, Inc. v. Netscape* decided whether use of trademarked terms in search engine technology constituted infringing "use."⁴⁷ The defendant, Netscape, operated an Internet search engine; the search engine would find and list Web sites on the Internet based on user-provided keywords entered at the Netscape site.⁴⁸ Netscape sold advertising space on the Web page that listed the keyword "search results;" the advertisements would appear as "banner advertisements" on the borders surrounding the search results text.⁴⁹ As part of Netscape's advertisement package, Netscape sold search terms to advertisers that Netscape would "key" to the advertisers' ads.⁵⁰ Netscape keyed "various adult entertainment ads to a group of over 450 terms related to adult entertainment, including the terms 'playboy' and 'playmate.'"⁵¹ Thus, when a user entered the search term "playboy", banner ads for Playboy's competitors would appear on the search results page.

Playboy argued that Netscape infringed its registered marks "Playboy[®]" and "Playmate[®]" by marketing and selling the words "playboy" and "playmate" to advertisers.⁵² Netscape argued that although Playboy may own the registered marks "Playboy[®]" and "Playmate[®]", Netscape "[did] not actually 'use' the trademarks qua trademarks."⁵³ The court found that Internet users could not use the words "Playboy[®]" and "Playmate[®]" as search terms.⁵⁴ Instead, users could only enter the words "playboy" and "playmate" into the search; and since Netscape also used the generic form "playboy" and "playmate" to program its search engine algorithm, the court found that Netscape had not "used" Playboy's marks in commerce. Moreover, the court opined that since the words "playboy" and "playmate" are English in their own right... whether the user is looking for goods and services covered by [Playboy's] trademarks or

47. *Playboy Enters., Inc. v. Netscape Commun., Corp.*, 55 F. Supp. 2d 1070 (9th Cir. 1999); *aff'd*, 202 F.3d 278 (9th Cir. 1999).

48. *Id.* at 1072.

49. *Id.*

50. *Id.*

51. *Id.*

52. *Playboy*, 55 F. Supp. 2d at 1073.

53. *Id.*

54. *Id.* at 1078.

something altogether unrelated to Playboy is anybody's guess."⁵⁵

Playboy suggests that "use of trademarked key words that are *not* also English words, such as 'AOL,' 'Exxon,' or 'Bose'" should be infringing "use."⁵⁶ Accordingly, Gator "used" plaintiffs' registered marks in commerce because it used the plaintiffs' registered marks and domain names in the embedded Adware to key and trigger pop-up ads from Gator's ad server.⁵⁷ And unlike "playboy" and "playmate," most of the plaintiffs' registered trademarks and domain names are not "English words in their own right" and have no generic use (e.g., "Wall Street Journal," "Washington Post," "Epicurious").

The metatag cases equally undermine an ad server's position. In *Brookfield Comm. v. West Coast Enterprises Corp.*, the Ninth Circuit was asked to decide whether using a competitor's trademark as a metatag constituted trademark infringement. Brookfield sold software that "featured a searchable database containing entertainment-industry related information."⁵⁸ Brookfield's software was sold under their registered mark, "MovieBuff." In 1996, Brookfield wanted to move its enterprise online and attempted to register the domain name "moviebuff.com." However, West Coast—one of the nation's largest video rental chains—had already registered "moviebuff.com."

West Coast used "moviebuff" as a metatag. A metatag is a word or phrase embedded in the Web site's programming code (e.g., HTML).⁵⁹ Metatags are embedded in Web site programming code so that search engines—searching for particular keywords and terms—will identify and list the Web site on a "search results" page. West Coast was using "moviebuff" as a metatag in its Web site "westcoast.com." On "westcoast.com" West Coast offered its own searchable entertainment database. Thus, when users entered the term "moviebuff" into a search engine, the search would list

55. *Id.* at 1073. *But see* Saunders, *supra* note 5, at 564 (arguing that "the court's conclusion that the Internet users and defendants in this case were not using the words here as trademarks is questionable at best").

56. Beth I. Z. Boland, Daniel B. Trinkle & Christine M. Baker, "Initial Interest Confusion" and the Use of Metatags and Keyed Banner Ads in Internet Trademark Law, 45 BOSTON BAR ASSN. 6, 21 (Sept./Oct. 2001).

57. Attorney for Gator: "[F]or example, Your Honor, one of the things we point out in our paper is that a user may well put in a URL that would act as a trigger for us to send and advertisement." Hearing on Plaintiffs' Motion for Preliminary Injunction at 12, Ins. 7-8, 13-15, 22, *Gator* (CV 02-909-A) (emphasis added).

58. *See Brookfield Communs. Inc. v. West Coast Entm't Corp.*, 174 F.3d 1036 (9th Cir. 1999).

59. *Id.* at 1045.

"westcoast.com" instead of Brookfield's products.

Although the issue of trademark "use" was not specifically addressed as it was in *Playboy*, the court held that West Coast was infringing Brookfield's MovieBuff mark. The court found infringement because "West Coast *uses* Brookfield's trademark. . . to describe its own product and to attract people to its Web site in the case of the metatags."⁶⁰ This was so, even though the consumer never even saw the metatag "moviebuff."⁶¹ Other courts have followed suit and found that such use of metatags constitutes infringing "use" under Section 32.⁶²

Adware combines metatag and search engine technology into one; the embedded software works together with the ad server to search the user's computer and launch pop-up advertisements based on user-entered keywords. And as discussed *supra*, the keywords that Adware searches for include registered trademarks that do not have generic uses. Such use, under *Brookfield* and its offspring, constitutes "use" as used in Section 32 of the Lanham Act.

B. Likelihood of Confusion: "Initial Interest Confusion"

The crux of trademark infringement suits is the plaintiff's burden to prove the likelihood of consumer confusion. In the *Gator* case, plaintiffs argued that the instant juxtaposition of the pop-up advertisements and plaintiffs' marks caused consumers to believe that the plaintiffs were somehow affiliated with Gator, or were sponsors of Gator and the pop-up advertisers.⁶³ Moreover, the plaintiffs argued that consumers believed that plaintiffs had authorized the pop-up advertisers to superimpose their advertisements on plaintiffs' Web

60. *Id.* at 1066.

61. Maureen A. O'Rourke, *Defining the Limits of Free-Riding in Cyberspace: Trademark Liability for Metatagging*, 33 GONZ. L. REV. 277, 297 (1998).

62. "Other post-Brookfield courts have looked to an initial interest confusion analysis to find that metatagging another's trademark constituted an infringing use of the mark. See, e.g., *New York State Society of Certified Public Accountants v. Eric Louis Associates, Inc.*, 79 F. Supp. 2d 331 (S.D.N.Y. 1999) ("NYSSCPA") (decisive factor in finding likelihood of confusion was defendant's "use of the [plaintiff's mark in the] 'nysscpa.com' domain name and the 'NYSSCPA' meta-tag [which] caused a likelihood of confusion because it created initial interest confusion"); *Eli Lilly and Co. v. Natural Answers, Inc.*, 233 F.3d 456 (7th Cir. 2000), *aff'd*, 86 F. Supp. 2d 834 (S.D. Ind. 2000) (finding that the "clear intent" of defendant's listing of Eli Lilly's mark "Prozac" among its metatags, "whether or not it was successful, was to divert Internet users searching for information on PROZAC(R) to [defendant's] Web site"). Boland, Trinkle & Baker, *supra* note 56, at 19.

63. Plaintiffs' Memorandum in Support of Preliminary Injunction at 19, *Gator* (CV 02-909-A) (citing *Anheuser-Busch, Inc. v. L & L Wings, Inc.*, 962 F.2d 316, 318 (4th Cir. 1992); *IDV N. Am., Inc. v. S&M Brands, Inc.*, 26 F. Supp. 2d 815, 826 (E.D. Va. 1998)).

sites. In support of this argument, plaintiffs proffered a consumer survey, demonstrating that a full 66% of those surveyed believed the plaintiffs were affiliated with, and had authorized the pop-up ads.⁶⁴

Gator's counter argument was that confusion as to the origin of the *product* being advertised was the appropriate inquiry, not whether there was confusion as to the origin of the *advertisement*.⁶⁵ "The viewers of plaintiffs' Web pages are not likely, as a result of this type of confusion, to purchase a product on the mistaken belief as to its source—the source of the products is clear in the content of the pop-up advertisement."⁶⁶ Under the existing theory of "initial interest confusion," however, Gator's argument should fail.

"The unauthorized use of another's trademark to lure consumers can create what is called 'initial interest confusion'—*i.e.* a bait-and-switch-type of confusion over a trademarked name that might attract a consumer's interest in a competitor or competitor's goods—and can be actionable just as when the confusion arises at the point of sale."⁶⁷ Moreover the Ninth Circuit recently stated,

Initial interest confusion occurs when the defendant uses the plaintiff's trademark 'in a manner calculated to capture initial consumer attention, even though no actual sale is finally completed as a result of the confusion.' Initial interest confusion permits a finding of a likelihood of confusion although the consumer quickly becomes aware of the source's actual identity and no purchase is made as a result of the confusion.⁶⁸

In 1987, the Second Circuit decided *HBO v. Showtime/Movie Channel*,⁶⁹ a case very similar to the *Gator* case in some respects. Although the court did not use the words "initial interest confusion," the defendant's advertising scheme was designed in "a manner *calculated* 'to capture initial interest consumer attention.'"⁷⁰ HBO and

64. *Id.* Although Gator challenged the validity of the survey, 66% of those surveyed believed that "pop-up advertisements are sponsored by or authorized by the Web site in which they appear." Forty-five percent of those surveyed believed that "pop-up advertisements have been pre-screened and approved by the Web site on which they appear." *Id.* at 21.

65. Opposition to Plaintiffs' Motion for Preliminary Injunction at 18, *Gator* (CV 02-909-A) (citing Nike, Inc. v. "Just Did It" Enters., 6 F.3d 1225, 1228-29 (7th Cir. 1993)).

66. *Id.*

67. Boland, Trinkle & Baker, *supra* note 56, at 6.

68. *Interstellar Starship Servs. v. Epix, Inc.*, 304 F.3d 936, 941 (9th Cir. 2002) (citing *Brookfield*, 174 F.3d at 1062 (citing *Dr. Seuss Enters., L.P. v. Penguin Books USA*, 109 F.3d 1394, 1405 (9th Cir. 1997))).

69. *Home Box Office, Inc. v. Showtime/Movie Channel, Inc.*, 832 F.2d 1311 (2d Cir. 1987).

70. See *Brookfield*, 174 F.3d at 1062.

Showtime compete head-to-head for cable-movie viewers. In *Showtime*, Showtime juxtaposed its trademarks and HBO's marks in its advertisements at a national cable programming convention.⁷¹ Some of Showtime's marketing materials contained slogans such as, "Showtime & HBO. It's Not Either/Or Anymore," and a disclaimer of affiliation.⁷² HBO sought a preliminary injunction to prevent Showtime from using its mark in Showtime's promotional materials.

Like the *Gator* plaintiffs, HBO's argument was that Showtime's use of HBO's mark—with accompanying slogans—was confusing because it initially suggested that HBO and Showtime had merged or were engaged in a strategic and cooperative promotional campaign.⁷³ Also like the *Gator* plaintiffs, HBO presented evidence that consumers believed the parties were involved in a joint promotion campaign.⁷⁴ Both the district court and the Second Circuit agreed, and despite Showtime's disclaimer, the injunction was granted and then affirmed.⁷⁵

The Second Circuit first reviewed Section 32 of the Lanham Act.⁷⁶ The court then found that Showtime's campaign could mislead and confuse consumers by suggesting that "Showtime and HBO have merged, are jointly marketing their services (possibly to the exclusion of their independent services) or are engaged in some other type of cooperative production or marketing venture."⁷⁷ Consumer confusion as to affiliation and sponsorship is sufficient in the majority of jurisdictions.⁷⁸

71. *Showtime*, 832 F.2d at 1313.

72. *Id.*

73. *Id.*

74. *Id.* at 1315.

75. The Second Circuit reversed the district court's order on other grounds. *Showtime*, 832 F.2d at 1317.

76. *Id.* at 1314.

77. *Id.* at 1315.

78. See e.g., *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, No. 99 Civ.10713, 2002 WL 1870307, at *2 (S.D.N.Y. Aug. 13, 2002) ("Confusion exists. . . where consumers are likely to believe that the mark's owner sponsored, endorsed, or otherwise approved the defendant's use of the mark."); *Pizza Hut, Inc. v. White*, 2002 U.S. Dist. LEXIS 19930, at *7 (N.D. Tx. 2002), citing *Professional Golfers Ass'n of America v. Bankers Life & Cas. Co.*, 514 F.2d 665, 670 (5th Cir. 1975). "It is well established that 'falsely suggesting affiliation with the trademark owner in a manner likely to cause confusion as to source of sponsorship constitutes infringement.'" *Playboy Enters. v. Frena*, 839 F. Supp. 1552, 1561 (M.D. Fl. 1993), citing *Burger King v. Mason*, 710 F.2d 1480, 1492 (11th Cir. 1983), cert. denied, 465 U.S. 1102 (1984). Further, "[t]he law is established that falsely suggesting the existence of affiliation with a well-known business by usurping the latter's good-will constitutes both trademark infringement and unfair competition." *Id.* *Showtime/The Movie Channel v. Covered Bridge Condominium Assoc., Inc.*, 693 F. Supp. 1080, 1089 (S.D. Fla. 1988), quoting *Volkswagenwerk*

Gator's campaign, like Showtime's, juxtaposed a competitor's advertisement with the plaintiffs' Web site and trademarks. Initial consumer confusion as to the plaintiffs' affiliation with the defendant also existed in both cases. And in both cases, although the source of the *product* was clear from the advertisements, the positioning of the advertisements created confusion as to the plaintiffs' affiliation, authorization and sponsorship. Furthermore, both Gator's and Showtime's advertisement schemes were designed to lure interested consumers away from competitors and into the purchase of Gator/Showtime products instead. Therefore, Gator's focus on confusion as to the origin of the product is overly narrow. The Lanham Act protects registered mark holders and consumers from more than mere *product* source confusion; initial confusion as to sponsorship and affiliation are equally proscribed by the Act. Another low-tech analogy may serve to clarify.

Say a consumer, John, wants to purchase a pair of Steve Madden® shoes. Having purchased shoes at Nordstrom before, John's initial hunch is that Nordstrom may sell the pair he is looking for. John heads over to Nordstrom, and once inside Nordstrom's shoe department a person wearing a Nordstrom name tag hands John the following flyer: "Steve Madden shoes 30–60% off—Now at Jim's Shoes!!!" Curious, John heads over to Jim's Shoes, located just outside Nordstrom, and purchases a pair of Steve Madden shoes.

Note that John never once was confused as to the origin of the shoes themselves; he knew all along that Steve Madden, Ltd. was the manufacturer of shoes he sought to purchase. Nevertheless, the way in which the Jim's Shoes advertisement was passively presented inside Nordstrom from a person wearing a Nordstrom's name tag may give consumers like John the impression that Jim's Shoes is associated or affiliated with Nordstrom. In addition, John is likely to falsely believe that Nordstrom authorized Jim's Shoes to use their nametag and advertise on their property. Furthermore, the Jim's Shoes campaign is specifically designed to railroad consumers in Nordstrom's into Jim's Shoes, so they will purchase shoes from Jim's Shoes instead of Nordstrom's. Gator, like Jim's Shoes, used another's trademark and location to take advantage of initial consumer interest, and to "hijack" potential customers from its competitors.

Although the initial interest confusion theory in the context of pop-up advertisements does not fit squarely into the low-tech

analogies giving rise to initial interest confusion in the context of metatags and banner ads,⁷⁹ Adware nevertheless is a species of initial interest confusion; the placement of the overlying pop-up ad is calculated to lure initial viewers' attention to the overlying advertiser's product instead of the underlying product. These schemes prey on (and succeed at the expense of) the goodwill of the underlying Web site; therefore, this breed of confusion is exactly what the Lanham Act seeks to proscribe.⁸⁰

"Initial interest confusion" is only the beginning. Plaintiffs, such as those in *Gator*, still must demonstrate that consumers were likely to be confused as to the origin, sponsorship, affiliation, or association based on a number of similar factors used in each circuit.⁸¹ Nevertheless, the Ninth Circuit has said, despite its *Sleekcraft* factors, "actionable initial interest confusion on the Internet is determined in large part by the relatedness of the goods offered and the level of care exercised by the consumer."⁸² Thus, where the product in the pop-up advertisement is closely related or identical to the product on the underlying Web page, there should be a presumption in favor of infringement.

IV. UNFAIR COMPETITION

The second theory that the *Gator* plaintiffs relied on was unfair competition. The federal unfair competition statute affords even broader protection than Section 32.⁸³ The federal unfair competition statute prohibits,

[U]se of any word, term, name, symbol, or device, or any combination thereof. . . which is likely to cause confusion. . . as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another

79. See e.g., *Brookfield*, 174 F.3d at 1064.

80. See 3 J THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS & UNFAIR COMPETITION § 23:01(4)(b) (3d ed. 1995).

81. E.g., the factors used to determine likelihood of consumer confusion in the Ninth Circuit are known as the *Sleekcraft* factors. Those factors are:

(1) strength of the mark; (2) proximity of the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing channels used; (6) type of goods and the degree of care likely to be exercised by the purchaser; (7) defendant's intent in selecting the mark; and (8) likelihood of expansion of the product lines.

AMF, Inc. v. Sleekcraft, 599 F.2d 341 (9th Cir. 1979).

82. *Interstellar*, 304 F.3d at 945.

83. Plaintiffs' Memorandum in Support of Preliminary Injunction at 22, *Gator* (CV 02-909-A) (citing *Two Pesos v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992)).

person.⁸⁴

The plaintiffs argued that “Section 43(a) is written as if it had Gator’s advertising scheme in mind” because OfferCompanion is a device that facilitates initial interest confusion.⁸⁵ This argument requires a different analysis from the trademark infringement analysis offered in Part III *supra*, because the embedded software that is communicating between the PC user’s computer and the ad host server (the “scheme”) is viewed as the device “used” to confuse consumers, not what appears as a single advertisement on the user’s screen. In response, Gator argued, “the word ‘device’ in Section 43(a), however, merely encompasses other types of symbols used as source identifiers and concerns a device *of a plaintiff* that a defendant improperly uses in commerce.”⁸⁶ The issue then, is whether the meaning of the word “device” is limited to icons, symbols and other sensory indicia that associate a good or service in the consumer’s mind with a particular source. Or does the word “device,” as used in the Lanham Act, carry a broader meaning which includes schemes like Adware? Since little legislative history exists on the exact meaning of the word, the answer may likely be found in the case law—specifically those cases discussing trade dress. This is because Gator’s scheme, like most trade dress, does not use perceivable *words* to communicate with consumers.

Trade dress refers to a broad species of source identifiers that include color combinations, wrapping and dimensional features.⁸⁷ It has been defined as,

the total image of a product or service, including product features such as design, size, shape, color, packaging, labels, color combinations, graphics, or service business features such as retail decor, architectural features, menus, restaurant layouts, styles of service, costumes, and occasionally marketing techniques as well.⁸⁸

84. 15 U.S.C. § 1125(a)(1) (2002) (emphasis added).

85. Plaintiffs’ Memorandum in Support of Preliminary Injunction at 22, *Gator* (CV 02-909-A).

86. Opposition to Plaintiffs’ Motion for Preliminary Injunction at 17–18, *Gator* (CV 02-909-A).

87. “The courts and the Patent and Trademark Office have authorized for use as a mark a particular shape (of a Coca-Cola bottle), a particular sound (of NBC’s three chimes), and even a particular scent (of plumeria blossoms on sewing thread).” *Qualitex Co. v. Jacobsen Prods. Co.*, 514 U.S. 159, 162 (1995) (finding that a color, in some circumstances, is capable of trademark protection).

88. GILSON, *supra* note 43, §7.02[7][c].

Trade dress may also include a product's nonfunctional design aspects, so long as they have acquired secondary meaning.⁸⁹ Similarly, fragrances and sounds are also recognized as trade dress.⁹⁰ The common thread among trade dress source identifiers is twofold: they do not use language to indicate the product's source and they somehow appeal to the senses. The word "device," therefore, should mean almost anything at all *that is capable of carrying meaning. . .*" to a consumer, whether it uses language or not.⁹¹ Thus, the word "device" is both limited and broad.

The whole premise of the plaintiffs' case in *Gator* was that the consumer did not know that the defendant's scheme was operating on their computer (which led to consumer confusion). The consumer never sees, hears or otherwise knows that a remote ad server host is monitoring their Web-surfing habits. Simply, *Gator's* scheme appeals to none of the consumer's senses, so it cannot be a "device" used as a source identifier.

Arguing that *Gator's* scheme is a "device" is flawed on a more fundamental level too. As *Gator* pointed out, Section 43(a) refers to the defendant's use of any "word, term, name, symbol, or device" that the *plaintiff* uses on its products as a source identifier; it does not refer to the defendant's use of any "word, term, name, symbol, or device."⁹²

V. TRADEMARK DILUTION

Dilution was the third cause of action—rooted in unfair competition—raised by the *Gator* plaintiffs. Trademark dilution is the gradual whittling away of the hold a mark has upon the public's mind by virtue of its use on noncompeting goods.⁹³ The idea underlying dilution is that the value of a trademark could be reduced overtime by similar marks, regardless of whether the similar mark was on a competing good or not.⁹⁴ Dilution proponents urge that

89. See generally *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205 (2000).

90. See *Qualitex*, 514 U.S. at 163.

91. *Id.* at 162.

92. See e.g., *Qualitex*, 514 U.S. 159; *Wal-Mart Stores*, 529 U.S. 205.

93. See e.g., Frank Schecter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813 (1927).

94. See *id.* at 820.

Trademark dilution laws protect 'distinctive' or 'famous' trademarks from certain unauthorized uses of the marks regardless of a showing of competition or likelihood of confusion. Indeed, the very purpose of dilution statutes is to protect trademarks from damage caused by the use of the marks in non-competing

marks could devalue even in the absence of consumer confusion as to product origin, because the value of a mark is the consumer association with product quality.⁹⁵ Because pop-up advertising is new to the law, the plaintiffs' complaint raises the question of whether Adware schemes can fit into a dilution theory. There are two lines of trademark dilution: tarnishment and blurring.

Tarnishment occurs where a famous mark is associated with another product or context that is degrading and unwholesome.⁹⁶ The damage that occurs is the inability of consumers to divorce such offensive images or contexts from the mark holder's business. In contrast, blurring is "the lessening of the capacity of a famous mark to identify and distinguish goods or services."⁹⁷ Some have interpreted this to mean that blurring occurs when the junior user "diminishes the power of a famous mark to quickly call to mind and distinguish the goods. . . associated with that mark."⁹⁸ Moreover, blurring occurs when the junior and senior user's marks are identical, but their products are completely different. The Federal Trademark Dilution Act (FTDA) protects mark holders from both types of dilution.⁹⁹ The FTDA provides,

The owner of a famous mark shall be entitled, subject to the principles of equity and upon such terms as the court deems reasonable, to an injunction against another person's commercial use in commerce of a mark or trade name, if such use begins after

endeavors. Whereas traditional trademark law sought primarily to protect consumers, dilution laws place more emphasis on protecting the investment of the trademark owners. Still, dilution laws do promote consumer welfare: if trademarks are valuable to consumers, then protecting businesses' investments in trademarks will benefit consumers by increasing the willingness of businesses to invest in the creation of recognized marks.

Panavision Int'l, L.P. v. Toeppen, 945 F. Supp. 1296, 1302 (C.D. Cal. 1996).

95. See Jeffrey R. Kuester & Peter A. Nieves, *Hyperlinks, Frames and Meta-tags: An Intellectual Property Analysis*, 38 IDEA 243, 252 (1998).

96. See, e.g., Bally Total Fitness Holding Corp. v. Faber, 29 F. Supp. 2d 1161, 1166 (C.D. Cal. 1998) ("Here, [plaintiff] argues that [defendant] has tarnished its mark by associating it with pornography.").

97. 15 U.S.C. § 1127 (2002).

98. See Kuester & Nieves, *supra* note 95, at 252.

99. On July 19, 1995, the House Judiciary Subcomm. on Courts and Intellectual Property held a 1-day hearing on H. R. 1295. No opposition to the bill was voiced at the hearing and, with one minor amendment that extended protection to unregistered as well as registered marks, the subcommittee endorsed the bill and it passed the House unanimously. The committee's report stated that the "purpose of H. R. 1295 is to protect famous trademarks from subsequent uses that blur the distinctiveness of the mark or tarnish or disparage it, even in the absence of a likelihood of confusion." H. R. Rep. No. 104-374, p. 1029 (1995). See also *Moseley v. V. Secret Catalogue, Inc.*, 123 S. Ct. 1115, 1123 (2002).

the mark has become famous and causes dilution of the distinctive quality of the mark, and to obtain such other relief as is provided in this subsection.¹⁰⁰

To establish a *prima facie* case for trademark dilution under Section 43(c), the plaintiff's mark must be 1) famous; 2) the defendant must make commercial use of the mark in commerce; 3) which use began after the mark became famous; 4) and which use dilutes the quality of the mark to identify and distinguish goods and services.¹⁰¹

The *Gator* plaintiffs argued that Gator's commercial use of its marks blurred consumers' ability to identify the plaintiffs as the source of the goods and service.¹⁰² Furthermore, the plaintiffs claimed that the "nature of certain of Gator Corp.'s advertisers and pop-up advertisements displayed by the Gator Corp." tarnished their goodwill in several ways.¹⁰³ First, the plaintiffs argued that the pop-up ads undermined their ability to control the content that appears on their own Web site.¹⁰⁴ This allowed Gator to alter the "look and feel" of the plaintiffs' Web site product. Second, plaintiffs argued that they had lost control over the frequency of pop-up ads.¹⁰⁵ This, they argued, disparaged their goodwill because pop-up ads are annoying to consumers. Finally, the plaintiffs argued that the content of the pop-up advertisements could potentially clash with their Web pages in ways that were offensive to consumers.¹⁰⁶ For example, Gator could potentially launch an advertisement for flight training school while the plaintiffs' Web sites were running a story on the September 11th tragedy.¹⁰⁷

Pop-up advertising campaigns are the type of activity that Frank Schecter—and the original champions of dilution theory—sought to proscribe.¹⁰⁸ In addition to eroding goodwill by annoying consumers

100. 15 U.S.C. § 1125(c)(1) (2002).

101. *Golden West Financial v. WMA Mortgage Serv.*, 2003 U.S. Dist. LEXIS 4100 *21-2 (N.D. Cal. 2003), citing *Panavision Int'l, L.P. v. Toeppen*, 141 F.3d 1316, 1324 (9th Cir. 1998).

102. Complaint at 32, *Gator* (CV 02-909-A).

103. *Id.*

104. *Id.*

105. *Id.*

106. *Id.*

107. Complaint at 32, *Gator* (CV 02-909-A). As a side note, while the author was viewing the Wall Street Journal's web page in preparation for this piece, a pop-up advertisement for surveillance cameras appeared, displaying an erotically dressed woman posing for a hidden security camera. On a different occasion, a pop-up advertising online dating services covered Toyota's Web site.

108. See generally Schecter, *supra* note 93.

and by displaying unwholesome and inferior products next to famous marks, businesses using Adware usurp the power of the mark holder to control the way a mark is used and displayed. Slowly, the plaintiffs' mark "would lose in selling power if [any advertiser] used it" in connection with his or her goods.¹⁰⁹ Therefore, plaintiffs whose Web sites are covered by material they cannot control—especially unwholesome and inferior products—should be afforded redress under the FTDA. Although the Supreme Court of the United States recently raised plaintiffs' burden of proof for showing dilution,¹¹⁰ if a plaintiff's mark is famous and was used prior to the junior user's use of the mark—such as those in *Gator*—the plaintiff should have little difficulty in making its case.

VI. DEFENSES

A. *The First Amendment: Commercial Speech*

Gator argued that an injunction would violate its First Amendment rights.¹¹¹ Trademarks are symbols. Symbols—like advertisements—communicate messages and ideas. At first glance, it would seem that *Gator* and its advertisers should be free to use any mark or advertisement to freely communicate ideas or propose commercial transactions. One scholar summarized this reasoning by stating, "[i]f the freedom of speech were absolute, every trademark law would be unconstitutional on its face[;] [a]fter all, any law barring the use of certain words and symbols directly abridges freedom of speech."¹¹² Such words adequately capture the inherent tension that exists between First Amendment protections and the rights of trademark holders. As the scholar alluded, however, commercial speech, ideological expression, and other exercises of the First Amendment are far from absolute.

In 1980, the Supreme Court of the United States decided *Central Hudson Gas & Electric Corp. v. Commission of New York*. The overarching issues presented in *Central Hudson* were twofold: 1)

109. *Id.* at 831–32.

110. See *Moseley v. V. Secret Catalogue, Inc.*, 123 S. Ct. 1115 (2002) (holding that plaintiffs must prove *actual* dilution, and not merely the likelihood of dilution). See also, *Golden West Financial v. WMA Mortgage Serv.*, 2003 U.S. Dist. LEXIS 4100, at *24 (N.D. Cal. 2003).

111. Opposition to Plaintiffs' Motion for Preliminary Injunction at 14, *Gator* (CV 02-909-A).

112. Robert N. Kravitz, *Trademarks, Speech, and the Gay Olympics Case*, 69 B.U.L. REV. 131, 134 (1989).

Does commercial speech (“speech that proposes a commercial transaction”) deserve First Amendment protection, and if so, 2) what level of judicial scrutiny should be applied to commercial speech?¹¹³ The Court’s answer to the first question answers whether pop-up ads deserve First Amendment protection.

The Court ultimately held that commercial speech deserved limited protection under the First Amendment. As a threshold requirement, however, the speech cannot be *misleading* or promote an unlawful activity.¹¹⁴ Accordingly, one commentator has noted, “[i]f a mark is used in the typical manner and . . . likelihood of confusion is found, the mark is deemed misleading and the free-speech inquiry is over.”¹¹⁵ Under this logic, trademark law and the First Amendment are reconciled and remain mutually exclusive theories. If a pop-up advertisement is likely to confuse consumers as to association, authorization, or sponsorship, the First Amendment protects neither the ad server host nor the advertiser.

B. Fair Use

Both the FTDA and Section 33(b) of the Lanham Act provide defendants with a “fair use” defense.¹¹⁶ Based on common and case law, courts have broken down the fair use defense into two categories: classic fair use, and nominal fair use (comparative advertising). The Ninth Circuit’s recent decision in *Brother Records, Inc. v. Jardine*

113. *Central Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of New York*, 447 U.S. 557 (1980).

114. *Central Hudson*, 447 U.S. at 566 (“For commercial speech to come within [the First Amendment], it at least must concern lawful activity and not be *misleading*.”).

115. GILSON, *supra* note 43, § 11.08[3][1][ii].

116.

[T]he use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin. . .

15 U.S.C. § 1115(b)(4) (2002).

[T]he following shall not be actionable under this section: (A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark; (B) Noncommercial use of a mark; (C) All forms of news reporting and news commentary.

FTDA § 1125(c)(4).

illustrates the distinction between the two categories.¹¹⁷

Al Jardine, the defendant, was a member of a renowned band, The Beach Boys. Mike Love, Al Jardine, Brian Wilson, Carl Wilson, and Dennis Wilson formed The Beach Boys in 1961, and formed Brother Records, Inc. ("BRI"), the plaintiff, in 1967.¹¹⁸ The Beach Boys formed BRI to manage the band's intellectual property rights. Since that time, however, the band has—to the dismay of many surfers and fans—split apart. Despite the falling out, BRI continues to administer the band's trademark, "The Beach Boys."¹¹⁹

In 1998, Al Jardine's attorney advised BRI that Jardine would begin touring under the name "Beach Boys Family and Friends."¹²⁰ BRI insisted that if Jardine performed music under a name using "Beach Boys," his use would be infringing, absent a license.¹²¹ The parties tried to negotiate a license, but reached an impasse on the royalty terms.¹²² Nevertheless, Jardine went ahead and performed under various titles that incorporated BRI's mark. On April 9, 1999, BRI filed a complaint for trademark infringement.¹²³

1. Classic Fair Use

Jardine claimed that his use of "Beach Boys" constituted classic fair use.¹²⁴ Citing Professor McCarthy in one of its prior decisions, the court stated that the classic fair use defense "applies only to marks that possess both a primary meaning and a secondary meaning—and only when the mark is used in its primary descriptive sense rather than its secondary trademark sense."¹²⁵ This defense applies to both descriptive and suggestive marks that carry both a primary and secondary meaning.¹²⁶ In other words, the classic fair use defense bars trademark holders from removing common descriptive words from the public domain.

The court used "MovieBuff" from *Brookfield* as an example,

117. Brother Records, Inc. v. Jardine, 318 F.3d 900 (9th Cir. 2003).

118. *Id.* at 901.

119. *Id.* at 901–02.

120. *Id.* at 902.

121. *Id.*

122. *Id.*

123. *Jardine*, 318 F.3d. at 902.

124. *Id.* at 903.

125. *Id.* at 905, citing *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1150–51 (9th Cir. 2002) (quoting 2 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS & UNFAIR COMPETITION, § 11:45 (4th ed. 2001)).

126. *Id.* at 906–907.

where the defendant could use "Movie Buff" (with a space) as a metatag, but could not use "MovieBuff;" the former was primarily suggestive of a motion picture enthusiast, whereas, the latter carried secondary meaning as a trademark designating Brookfield's entertainment database.¹²⁷ In the Ninth Circuit's opinion, Jardine did not use The Beach Boys in its descriptive sense (to describe "boys who frequent a stretch of sand beside the sea").¹²⁸ Instead, he used BRI's mark as a trademark, thus the classic fair use defense was unavailable to him. So should the case be with ad host servers like Gator and pop-up advertisers.

Gator allegedly used marks such as "Knight Ridder Digital," "Epicurious," and "the Boston Globe."¹²⁹ On the spectrum of trademark strength, these marks are designated as *arbitrary* and *fanciful* and do not even have a primary meaning in the English language. As to these marks then, the classic fair use defense is not available. If Gator had used other marks that were classified on the spectrum as *descriptive* or *suggestive*, the issue of classic fair use would be more difficult. The result would largely depend on the theory of "use" to which a court subscribed.

As discussed in Part III *supra*, ad server hosts "use" marks in commerce by either keying them to pop-up advertisements or based on the single advertisement approach. If a descriptive mark—such as SWEET—were keyed to a pop-up advertisement, a court would most likely find that the defendant's use was fair use.¹³⁰ If, on the other hand, a court subscribes to the single advertisement approach, the defendant's use of the mark should not be fair use. In most cases, the plaintiff displays its mark as a trademark, not a product descriptor. The defendant cannot manipulate the content of plaintiff's underlying Web site to display the plaintiff's mark in a descriptive way; therefore, when the defendant's pop-up advertisement window appears together with the plaintiff's mark, the defendant is using the plaintiff's mark in its secondary sense and classic fair use is unavailable.

2. Nominal Fair Use (Comparative Advertising)

Arguing in the alternative, Jardine claimed that his use of "The

127. *Id.* at 907.

128. *Id.*

129. Complaint at 31–32, *Gator* (CV 02-909-A).

130. See *Jardine*, 318 F.3d at 906 (citing *Car Freshner Corp. v. S.C. Johnson & Son*, 70 F.3d 267, 269 (2d Cir. 1995)).

Beach Boys" was nominal fair use.¹³¹ Nominal fair use is the opposite of classic fair use: "[w]here the defendant uses the trademark not in its primary, descriptive sense, but rather in its secondary, trademark sense, the nominative fair use analysis applies."¹³² Nominal fair use is often referred to as use for "comparative advertising" out of the judiciary's recognition that "it is often virtually impossible to refer to a particular product for purposes of comparison, criticism, point of reference, or any other such purpose without using the mark."¹³³ And as a matter of policy, comparative advertising is a sanctioned use of registered marks because "product comparison and imitation are the lifeblood of competition."¹³⁴

To establish the nominative fair use defense, the defendant has the burden¹³⁵ of proving:

[F]irst, the product or service in question [is] not readily identifiable without use of the trademark; second, only so much of the mark or marks [is] used as is reasonably necessary to identify the product or service; and third, the user [has done] nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.¹³⁶

The court in *Jardine* found that it was impossible to refer to the Beach Boys without using their mark.¹³⁷ The second requirement was moot.¹³⁸ On the third requirement, however, the court found that *Jardine's* promotional materials suggested sponsorship by the Beach

131. *Jardine*, 318 F.3d at 903.

132. *Jardine*, 318 F.3d at 908 (citing *New Kids on the Block v. News Am. Pub., Inc.*, 971 F.2d 302, 308 (9th Cir. 1992)).

133. *Id.*

134. Thomas Schatzel, Lecture on Unfair Competition, Santa Clara University School of Law, Mar. 26, 2002 (on file with the author).

135. The third requirement of the nominative fair use defense—the lack of anything that suggests sponsorship or endorsement—is merely the other side of the likelihood-of-confusion coin." See 2 J. THOMAS MCCARTHY, *TRADEMARKS AND UNFAIR COMPETITION* § 11:47 (4th ed. 2001) (noting "some confusion in the case law as to whether 'fair use' is really a distinct and separate 'defense' " and arguing that " 'fair use' should be viewed as merely one type of use which is not likely to cause confusion"). *Id.*

We have held that the nominative fair use analysis replaces the likelihood-of-confusion analysis set forth in *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348–49 (9th Cir. 1979). *Cairns*, 292 F.3d at 1150. Therefore, whereas plaintiff carries the burden of persuasion in a trademark infringement claim to show likelihood of confusion, see *Thane Int'l*, 305 F.3d at 900, the nominative fair use defense shifts to the defendant the burden of proving no likelihood of confusion.

Jardine, 318 F.3d at n.5.

136. *Jardine*, 318 F.3d at 908.

137. *Id.*

138. *Id.*

Boys band, and that Jardine used the mark for “enhanced marquee value.”¹³⁹ Thus, both Jardine’s classical and nominative fair use arguments failed.

Pop-up ad litigation would probably resemble Jardine’s case on the issues of nominative fair use. First, the plaintiffs’ products and services in *Gator*, like BRI’s product, most likely cannot be identified without making reference to the mark. A competitor of the plaintiffs could not specifically identify The New York Times, The Wall Street Journal, or The Washington Post simply by referring to “major daily newspapers.”

Second, under the single advertisement view, the pop-up ad server has little control over how much of a plaintiff’s mark they use. The ad server host, like *Gator*, uses as much of the plaintiff’s mark as the plaintiff incorporates into its underlying Web site. If the mark-holder’s Web site displays multiple images of the protected mark, and all the marks are still visible despite the pop-up ad, the pop-up ad server has used an unreasonable amount of the plaintiff’s mark to identify the plaintiff’s product or service. In contrast, if the plaintiff’s mark is displayed merely once, then the ad server most likely has used no more than a reasonable amount of the plaintiff’s mark.

The third requirement that the ad host server must prove is that use of the marks on the underlying Web site does not suggest sponsorship, authorization or endorsement by the mark-holder. The outcome of this requirement is difficult to predict because it is based on the facts of each case. In *Gator*, *Gator* offered no survey of its own to rebut the consumer survey proffered by the plaintiffs in support of their motion for preliminary injunction. Instead, *Gator* attacked the credibility and design of the plaintiffs’ survey.¹⁴⁰ If the dispute in *Gator* had proceed to trial, and if *Gator* mounted a fair use defense, *Gator* would have had the burden of proving no likelihood of confusion.¹⁴¹ And in light of the survey proffered by the plaintiffs—showing that 66% of those surveyed believed that pop-up advertisements are sponsored by or authorized by the Web site in which they appear—the odds that *Gator* would have met this burden seem slim.¹⁴²

139. *Id.*

140. Opposition to Plaintiffs’ Motion for Preliminary Injunction at 19–20, *Gator* (CV 02-909-A).

141. See *Jardine*, *supra* note 117.

142. Plaintiff’s Memorandum of Points & Authorities in Support of Preliminary Injunction at 13, *Gator* (CV 02-909-A). Of course, this assumes that the plaintiffs’ survey design and analysis is valid to the judge and credible to the trier of fact.

VII. POLICY CONCERNS

A. Informed Consumers

Concluding that pop-up windows infringe unfair competition laws operates as a prohibition on an entire category of advertising. This raises the question of whether the benefits of advertising outweigh the justifications underlying unfair competition laws. The main benefit of pop-up advertising is that it keeps consumers informed.

Truthful advertising informs consumers of their choices. This leads to greater efficiency and competition among competing firms. Justice Blackmun, in *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council*, best described the value of advertising in our economic culture as follows:

Advertising, however tasteless and excessive it sometimes may seem, is nonetheless dissemination of information as to who is producing and selling what product, for what reason, and at what price. So long as we preserve a predominantly free enterprise economy, the allocation of our resources in large measure will be made through numerous private economic decisions. It is a matter of public interest that those decisions, in the aggregate, be intelligent and well informed. To this end, the free flow of commercial information is indispensable. And if it is indispensable to the proper allocation of resources in a free enterprise system, it is also indispensable to the formation of intelligent opinions as to how that system ought to be regulated or altered.¹⁴³

Adware does exactly what advertisements are supposed to do: it facilitates the free flow of alternative choices. A few pop-up advertisements even quote the advertiser's prices, giving consumers a side-by-side price comparison. Sometimes Adware also reduces the consumer's research costs. By typing in keywords relating to a particular good or service, the Adware provides more information at one time than the consumer would have gotten without Adware. Thus, at first glance, Adware seems to support the value of advertising in a free enterprise economy as expressed by Justice Blackmun.

The argument in favor of advertising, however, assumes that consumers actually take into account all the information available to them on the subject of their research. This assumption is misplaced

143. *Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council*, 425 U.S. 748, 765 (1976).

while analyzing a research format like the Internet though, where too much information at one time could actually have an opposite effect on consumer awareness. Unbridled, pop-up ad technology could lead to such a deluge of information at one time that consumers may begin to wholly disregard whatever information the pop-up window has to offer. Imagine if multiple ad server hosts all sold the exact same keyword, or similar keywords, to several different advertisers. Once a consumer enters that keyword into an address or search field, the user's ability to passively research on the Internet could basically be usurped by pop-up on top of pop-up on top of pop-up. . . . Instead of pursuing each pop-up ad (which incidentally could compound the problem), users most likely will become annoyed and overwhelmed, and try to close the windows. Consumers using the Internet already have a decent research tool: search engine technology. Even so, most would agree that search engines complicate awareness and research enough as it is.¹⁴⁴ Pop-up advertisements provide nominal help, at best, and arguably create diminishing returns.

Additionally, if the rationale in support of advertising is that consumers are more informed about the goods and services they are in the market for, the majority of pop-up ads do not fit within that rationale. Most pop-up ads contain anything but the information for which the consumer is searching;¹⁴⁵ they do not even correlate with the consumer's online research needs. Make no mistake, hijacking campaigns do represent a minority of pop-up ads specifically tailored to that which the user is searching. But almost anyone who has recently done research or shopping on the Internet knows that the majority of pop-up windows offer absolutely no help, and bare no relationship to their specific consumer needs. Again, the pop-up advertisements are often more annoying than helpful and are usually disregarded as useless information.

B. Commercial Morality

One of the reasons unfair competition laws exist is to preserve a moral business environment. Unfair competition laws "reflect society's concept that certain forms of competitive behavior are reprehensible and unfair."¹⁴⁶ Such laws evolved from business

144. See O'Rourke, *supra* note 61, at 294-95.

145. See *supra* note 107.

146. 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS & UNFAIR COMPETITION § 2:04 (3d ed. 1995).

practices designed to draw away customers from a competitor.¹⁴⁷ Adware schemes are consciously designed to steal a competitor's potential customers. Adware companies even tout the fact that they can target potential consumers anywhere on the Internet. For instance, the front page of FlashTrack's Web site states,

FlashTrack delivers targeted messages *anywhere* on the Internet. We reach the Web surfer in real time, based on where they are and what they may be doing online. By reaching users *wherever* they are, *whatever* they may be doing and *whenever* a marketer desires, FlashTrack delivers messages that have *more impact!* FlashTrack's users *actively choose* to download our software to benefit from our real time *Point of Surfing* technology and to support our many software partners.¹⁴⁸

Put differently, Adware programmers are in the business of placing advertisements right where they will draw customers away from their client's competitors. Likewise, ad server hosts and pop-up advertisers fully intend to use Adware for the same purpose. Adware epitomizes the idea of an unethical business practice—especially in the context of hijack campaigns. Thus, the judiciary can find solace in the fact that proscribing pop-up window advertisements would sustain commercial morality as a policy underlying unfair competition laws.

VIII. CONCLUSION

Although there are market solutions being developed to help consumers avoid pop-up advertisements,¹⁴⁹ the judiciary's position on such ads is pending. For certain, pop-up advertisement litigation is on the rise,¹⁵⁰ presenting courts with yet another technology which has

147. *Id.* (citing *People ex rel. Mosk v. Nat'l Research Co.*, 201 Cal. App. 2d 765 (3d Dist. 1962)).

148. Flashtrack, *Flashtrack's Proximity Marketing*, at <http://www.flashtrack.net/index.html> (last viewed April 7, 2003) (emphasis in original).

149. Rob Pegoraro, *You Don't Have to Take Pop-Ups Lying Down*, NEWSBYTES (Mar. 23, 2003). *E.g.*, Lavasoft produces Ad-Aware which searches for and removes embedded software on the PC. Ad-Aware can be downloaded for free at <http://www.lavasoft.de/support/download/>. Browsers such as Mozilla 7.01 and Netscape have options to ignore pop-up coding in Web pages.

150. There are currently 10 actions involving Gator pending in different federal district courts, including five actions for declaratory relief that Gator initiated: *Gator.com v. L.L. Bean*, C-01-1126-MEJ (N.D. Cal. March 19, 2001) *The Gator Corp. v. L.L. Bean*, CV-01-1713-HU (D. Or. Nov. 27, 2001); *United Parcel Serv. of Am. v. Gator Corp.*, 1:02-CV-2639-BBM (N.D. Ga. Sept. 26, 2002); *Gator Corp. v. Extended Stay Am. Inc.*, C-02-5226-CRB (N.D. Cal. Oct. 29, 2002); *Six Continents Hotels v. Gator Corp.*, 1:02-CV-3065-JOF (N.D. Ga. Nov. 12, 2002); *Extended Stay Am. Inc. v. Gator Corp.*, 7:02-3845-20 (D.S.C. Nov. 14, 2002); *Lendingtree Inc.*

no true non-Internet analogue. As such, courts are being asked to resolve novel issues in various areas of the law,¹⁵¹ including unfair competition.

In trademark and dilution cases, whether an ad server host—like Gator—“uses” in commerce another’s trademark by launching pop-up windows is perhaps the dispositive question. Viewing the PC user’s screen as a single advertisement suggests that pop-up windows do “use” the marks appearing underneath and alongside them. The single advertisement theory is perhaps the most appropriate to endorse in pop-up ad litigation, because it accurately reflects how consumer’s interface with advertising campaigns in cyberspace. To be clear, no analytical distinction should exist between pop-up windows and underlying Web sites because, as vast as it may seem, consumers experience cyberspace on a two dimensional plane. Similarly, the initial interest use approach—stemming from the banner advertisement and metatag cases—also supports a finding that Adware programs “use” trademarks; e-businesses use marks and domain names by selling them as “keyed” terms to advertisers.

Initial interest confusion further suggests that a mark-holder’s case against ad host servers and pop-up advertisers is strong. When a competitor’s ad partially covers the underlying Web site, the nature of the Internet leads the consumer to falsely believe that the competitor and Web site owner are somehow affiliated or that the Web site has authorized the pop-up advertisement.¹⁵² This confusion may lead consumers initially interested in the Web site to click on the pop-up ad and go to a competitor’s site. Initial interest confusion alone does not lead to infringement liability. But the initial interest confusion view is useful in that it explains how consumers become confused about the sponsorship and affiliation of businesses by using the Internet to research goods and services.

v. Gator Corp., 3:02-CV-519-V (W.D.N.C. Dec. 11, 2002); *Gator Corp v. Pricegrabber Inc.*, C-02-5875-BZ (N.D. Cal. Dec. 16, 2002); *Gator Corp. v. Tigerdirect Inc.*, C-02-5875-BZ (N.D. Cal. Dec. 19, 2002); *Tigerdirect Inc. v. Gator Corp.*, C-02-23615 (S.D. Fla. Dec. 20, 2002). BNA, *Gator Granted Stay of Hertz’s Suit Until MDL Panel Decides Motion to Consolidate*, PATENT, TRADEMARK & COPYRIGHT (Mar. 26, 2003), v.8, no.12, at 317.

151. The plaintiffs in *Gator* also alleged that Adware infringed their public display and derivative work rights under the Copyright Act of 1976. Common law misappropriation was also pled. Complaint at 33–34, *Gator* (CV 02-909-A). Trespass, quasi contract and other causes of action within the pop-up advertisement context will eventually require judicial analysis, although there is still confusion on how to apply these claims to the Internet. See BNA, *9th Circuit Asks California High Court to Rule*, PATENT, TRADEMARK & COPYRIGHT (Jan. 10, 2003), v.65, no.1604, at 218.

152. Plaintiff’s Memorandum of Points & Authorities in Support of Preliminary Injunction at 19, *Gator* (CV 02-909-A).

Holders of famous marks should also find that the FTDA provides protection against ad host servers and advertisers. Pop-up advertisements fall within both the tarnishment and blurring theories of dilution; the advertisements strip from Web site owners their right to control the way their products are presented and the way their marks are used. The pop-up windows could gradually disassociate the Web site owner's goods from its trademarks. Furthermore, the content of pop-up ads is often unwholesome and offensive, which damages the goodwill and reputation of the underlying Web site.

Ad host servers and advertisers facing unfair competition claims most likely will defend their actions based on fair use and the First Amendment. The merits of their defenses, of course, will depend on the facts of each case. As a general proposition, however, where advertising is used in a misleading way, the First Amendment affords no shelter to unfair competition claims. Similarly, classic fair use should be unavailable to defendants in most cases because most plaintiffs display their marks on their Web sites in the secondary, trademark sense. The issue of comparative advertising, or nominal fair use, will depend on whether the defendant is able to affirmatively prove that use of the plaintiff's underlying Web content does not create confusion as to sponsorship, association or authorization.

Finally, the justifications underlying American unfair competition laws suggest that Adware schemes should be banned from the Internet. Adware is specifically designed to "hijack" customers amongst competitors. As a matter of commercial morality, the judiciary should confidently prohibit this practice as it undermines fundamental notions of fair competition and civility on the Internet.